

Date:

June 22, 2005

Subject:

2005 Renewable Energy Credit Sale

Alameda Power and Telecom (Alameda P&T) is soliciting interest in the Renewable Energy Credits (REC's) associated with Alameda P&T's contractual entitlement for wind energy from the High Winds facility in Solano County. This sale offer is extended to satisfy any REC requirements for the 2005 calendar year.

Alameda P&T has a 10 MW entitlement to wind energy from the High Winds facility. Current projections for the 2005 calendar year total approximately 29 GWh of renewable wind energy from this entitlement. This sale offer is for the REC's associated with the entire 2005 output. The High Winds facility meets most certification criteria, including the requirements for Green-e certification.

Interested Parties should submit a written offer of purchase by July 15, 2005. This offer of purchase must include the price per MWh and should be indicative of the Parties willingness to enter into a contractual agreement for the transfer of REC's. Alameda P&T intends to select an offer and enter into an agreement which will be binding for the 2005 Calendar year, subject to contractual terms and conditions.

Alameda P&T will review the offers the week of July 17th and notify the winner shortly thereafter. While Alameda P&T has received approval in principle of the sale from the Alameda Public Utilities Board (Board), any specific contractual sale will need to be approved by the Board before the REC's can be transferred.

Please contact Mr. Nicolas Procos at (510) 748-3931, if you have further questions.

Sincerely,

Valerie O. Fong General Manager